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UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re: : Chapter 11  
:  
RANDALL'S ISLAND FAMILY GOLF : Case Nos. 00 B 41065 (SMB)  
CENTERS, INC., et al., : through 00 B 41196 (SMB)  
:  
Debtors. : (Jointly Administered)  
:  
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**STIPULATION AND ORDER GRANTING  
LIMITED RELIEF FROM THE AUTOMATIC  
STAY TO ALLOW MATTHEW AND  
GINA SCHIRANO TO PURSUE LITIGATION**

WHEREAS, on May 4, 2000 (the "Filing Date"), each of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code. By order of this Court dated as of the Filing Date, the Debtors' chapter 11 cases are being jointly administered. Pursuant to sections 1107 and 1108 of the Bankruptcy Code, the Debtors are continuing to operate their businesses and manage their properties as debtors-in-possession;

WHEREAS, on May 15, 2000, Matthew Schirano and Gina Schirano (the "Claimants") commenced a civil action against two of the Debtors, Family Golf Centers, Inc. ("Family Golf") and Sports Plus ("Sports Plus"), in the Supreme Court of the State of New York, County of Suffolk, styled Matthew Schirano, an infant by his mother and natural guardian, Gina Schirano and Gina Schirano, individually against Family Golf Centers, Inc. d/b/a Sports Plus, and bearing Index number 00-11820, arising out of an alleged personal injury to the Matthew Schirano (the "Claim");

WHEREAS, as a result of the commencement of the Debtors' cases and the operation of section 362(a) of the Bankruptcy Code (the "Automatic Stay"), the filing of the action was void and the continuation of the action was stayed;

WHEREAS, the liability of Family Golf and Sports Plus, if any, to the Claimants with respect to the Claim is covered by the Debtors' applicable general liability insurance policy and may be covered by further liability and excess insurance policies (collectively, the "Policies");

WHEREAS, the Claimants seek, and Family Golf and Sports Plus are willing to consent to, a limited modification of the Automatic Stay on the terms and subject to the conditions set forth herein, so as to allow the Claimants to refile the action and prosecute a new action (the "State Court Action") to judgment (or other resolution) and to allow the Claimant to collect monies on any judgment obtained

therein (or the settlement proceeds thereof, if any) solely from the Policies;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and between Family Golf and Sports Plus and the Claimants, through their undersigned counsel, as follows:

1. Upon the approval of the Stipulation by the Bankruptcy Court, the Automatic Stay shall be modified to allow the Claimants to (a) refile the action and prosecute to judgment the State Court Action with respect to the Claim, and any subsequent appeals or writs of review taken by any of the parties thereto, solely for the purpose of determining the liability of, and damages against, Family Golf and Sports Plus, if any, with respect to the Claim (or to settle the Claim); and (b) collect and enforce any such judgment (or settlement proceeds) solely from the proceeds of the Policies to the full extent of the judgment (or settlement) and only as may be available under the Policies.

2. The Claimants hereby waive, relinquish and discharge any claim that the Claimants ever had, now have, or hereafter can, shall, or may have against any of the Debtors or any of their affiliates, including, but not limited to, Family Golf or Sports Plus, and the assets or properties of their respective estates (including, without limitation, with respect to the deductible under the policies, to the extent it is applicable, and any deficiency that may arise by virtue of a judgment obtained in excess of the limits of coverage in, or available under the Policies), without prejudice to

the Claimants' recovery, if any, under the Policies. The Claimants' sole recovery, if any, shall be from the Policies. Claimants shall not recover from the assets or properties of any of the Debtors and their estates, and the State Court Action shall not result in any cost to the Debtors or their estates.

3. Except to the extent expressly set forth in paragraph 1 and 2, above, the provisions of section 362 of the Bankruptcy Code, including without limitation, those provisions prohibiting execution, enforcement, or collection of any judgment that may be obtained against the Debtors from and against any assets or properties of the Debtors' estates (as defined in section 541 of the Bankruptcy Code), shall remain in full force and effect. Neither the Claimants nor any of their agents, attorneys, or representatives shall take any action or attempt to cause any action to be taken to collect all or any portion of any such judgment (or settlement proceeds) from the assets or properties of the Debtors' estates, without prejudice to the Claimants' recovery, if any, from the Policies by way of compromise and settlement or otherwise.

4. The Claimants expressly recognize the burdens placed on the Debtors as a result of the chapter 11 filing, and Family Golf, Sports Plus and the Claimants agree to cooperate with respect to the scheduling of any requests or demands for discovery, depositions, testimony or production of documents or the like, from any of the Debtors, their

employees or their agents in connection with the State Court Action.

5. Nothing contained herein shall constitute or operate as a general waiver or modification of the Automatic Stay that would permit the prosecution against the Debtors of any claims or actions by any person or entity other than the Claimants or their estate with respect to the State Court Action.

6. The attorney for the Claimants represents and warrants that the Claimants have full knowledge of, and have consented to, this Stipulation and that the attorney has full authority to execute this Stipulation on behalf of the Claimants.

7. This Stipulation is subject to the approval of the Bankruptcy Court and shall be of no force and effect unless and until an order approving the Stipulation has been entered. If this Stipulation is not approved by the Bankruptcy Court, it shall be null and void and shall not be referred to or used, for any purpose, by any of the parties hereto or any parties to the State Court Action.

8. The Bankruptcy Court shall retain jurisdiction to resolve any disputes between the parties arising with respect to this Stipulation.

9. This Stipulation may not be amended or modified  
except by further Order of this Court.

Dated: New York, New York  
February \_\_, 2001

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By\_\_\_\_/S/\_\_\_\_\_  
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By\_\_\_\_/S/\_\_\_\_\_  
Kenneth Ording (KO- )

SO ORDERED

this 14<sup>TH</sup> day of March, 2001

\_\_\_\_/s/ STUART M. BERNSTEIN  
UNITED STATES BANKRUPTCY JUDGE